

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: **W. R. Grace & Co., et al**
Debtor

Case No. 01-01139 Jointly Administered
Reporting Period: January 2009

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)			See attached Attestation Form
Copies of bank statements			See attached Attestation Form
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date

Signature of Authorized Individual*

Date

Hudson La Force III

Printed Name of Authorized Individual

Senior Vice President and
Chief Financial Officer

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

W. R. Grace & Co.
Monthly Financial Report
January 31, 2009

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Form MOR

Monthly Operating Report

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Bank Statements

See attached
Attestation Form

Federal Income Tax Returns

none

Forward-Looking Information

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

Statement of Confidentiality

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

Monthly Operating Report

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2009

	JP Morgan Chase Disbursement 9101013572	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003615	Merrill Lynch Investment 3323735	Bank of America Lockbox 8188703107	JP Morgan Chase Holding 323223141	JP Morgan Chase Concentration 16001257
CASH BEGINNING OF MONTH	\$ 114,673	\$ 10,000	\$ -	\$ 147,445,631	\$ 9,144	\$ 866,233	\$ 60,976,184
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					11,758		
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES		515,098		19,229		830	3,207,375
TRANSFERS IN - NONFILING ENTITIES							17,421,112
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000			8,500,000			97,376,754
MISCELLANEOUS							
TOTAL RECEIPTS	200,000	515,098	-	8,519,229	11,758	830	118,005,240
DISBURSEMENTS							
PAYROLL							
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							66,885
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	196,298						12,929,601
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		515,098		7,100,000			138,257,034
MISCELLANEOUS							
TOTAL DISBURSEMENTS	196,298	515,098	-	7,100,000	-	-	151,253,520
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	3,702	-	-	1,419,229	11,758	830	(33,248,280)
CASH - END OF MONTH	\$ 118,375	\$ 10,000	\$ -	\$ 148,864,860	\$ 20,902	\$ 867,063	\$ 27,727,904

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2009

	Bank of America Lockbox 8188203114	Bank of America Securities LLC 22330134		First Union Concentration 2000000282172	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	First Union Libby Medical 2079900005006
CASH BEGINNING OF MONTH	\$ 4,298,992	\$ 21,615,540	A	\$ 123,680	\$ 652,525	\$ -	\$ 28,857
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES	34,830,812						
ACCOUNTS RECEIVABLE - INTERCOMPANY	2,139,545						
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES	2,691,350						
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				133,000,000	17,857,210		16,036
MISCELLANEOUS							
TOTAL RECEIPTS	39,661,708	-		133,000,000	17,857,210	-	16,036
DISBURSEMENTS							
PAYROLL					11,630,006		
PAYROLL TAXES					6,647,859		
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	101,927						44,893
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	41,905,500	3,553,097		124,405,738			
MISCELLANEOUS				9,333	130,582		
TOTAL DISBURSEMENTS	42,007,427	3,553,097		124,415,071	18,408,446	-	44,893
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(2,345,719)	(3,553,097)		8,584,929	(551,236)	-	(28,857)
CASH - END OF MONTH	\$ 1,953,273	\$ 18,062,443	A	8,708,609	\$ 101,288	\$ -	\$ 0

Note #1

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Note A

This account has been reported as "investment securities" in W.R. Grace & Co.- Conn's balance sheet as of January 31, 2009.

W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2009

	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wachovia Lockbox 1866-082535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	SunTrust Payroll 00000141309	PNC 4002641360	Hibemia Natl Disbursement 101391210	JP Morgan Chase Lockbox 304616494
CASH BEGINNING OF MONTH	\$ (279,389)	\$ -	\$ -	\$ -	\$ (0)	\$ 45,246	\$ (0)	\$ 10,000	\$ 116,834
RECEIPTS									
ACCOUNTS RECEIVABLE - THIRD PARTIES									41,789,220
ACCOUNTS RECEIVABLE - INTERCOMPANY									22,469,428
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI									
DIP BORROWINGS									
TRANSFERS IN - THIRD PARTIES									
TRANSFERS IN - NONFILING ENTITIES									
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	49,347,106			1,039,563	56,145,822				
MISCELLANEOUS				829,126	5,100,589				
TOTAL RECEIPTS	49,347,106	-	-	1,868,690	61,246,411	-	-	-	64,258,648
DISBURSEMENTS									
PAYROLL									
PAYROLL TAXES									
TRADE PAYABLES - THIRD PARTIES	(a) 52,966,195			1,868,690	61,246,411				
TRADE PAYABLES - INTERCOMPANY									
ACCOUNT SECURITIZATION									
PAYMENTS AS SERVICER FOR GRPI									
DIP PRINCIPAL REPAYMENTS									
DIP INTEREST AND USAGE FEES									
TRANSFERS OUT - THIRD PARTIES									
TRANSFERS OUT - NONFILING ENTITIES									
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS									47,856,156
MISCELLANEOUS						8			
TOTAL DISBURSEMENTS	52,966,195	-	-	1,868,690	61,246,411	8	-	-	47,856,156
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(3,619,090)	-	-	-	0	(8)	-	-	16,402,492
CASH - END OF MONTH	\$ (3,898,478)	\$ -	\$ -	\$ -	\$ (0)	\$ 45,238	\$ (0)	\$ 10,000	\$ 16,519,326

Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

(a) These disbursements include Libby indictment, legal, and indemnification costs of \$5,890,460.95.

W. R. Grace & Co. - Conn					
Schedule of Cash Receipts and Disbursements					
MOR-1					
January 2009					
	Allfirst Payroll 16298857	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct. 1931115122058	Banco de Credito Operating Acct. 1931125963172	Banco Interam de Finanzas 007000107847
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ 49,503	\$ 496,573	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES			-	195,973	-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	-	-
DIP BORROWINGS			-	-	-
TRANSFERS IN - THIRD PARTIES			169,115	-	-
TRANSFERS IN - NONFILING ENTITIES			-	-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS			-	-	-
TOTAL RECEIPTS	-	-	169,115	195,973	-
DISBURSEMENTS					
PAYROLL			11,130	-	-
PAYROLL TAXES			13,038	-	-
TRADE PAYABLES - THIRD PARTIES			-	-	-
TRADE PAYABLES - INTERCOMPANY			-	-	-
ACCOUNT SECURITIZATION			-	-	-
PAYMENTS AS SERVICER FOR GRPI			-	-	-
DIP PRINCIPAL REPAYMENTS			-	-	-
DIP INTEREST AND USAGE FEES			-	-	-
TRANSFERS OUT - THIRD PARTIES			122,621	170,000	-
TRANSFERS OUT - NONFILING ENTITIES			-	-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS			60,350	7,815	-
TOTAL DISBURSEMENTS	-	-	207,139	177,815	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	(38,024)	18,159	-
CASH - END OF MONTH	\$ -	\$ -	\$ 11,478	\$ 514,732	\$ -

Note #1

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2009

	Banco Interam de Finanzas 7000107/707	HSBC Operating Acct 1128001	Bank Boston Operating Acct 154519	Cash in Transit	Cash on Hand	Other
CASH BEGINNING OF MONTH	\$ -	\$ 350,097	\$ -	\$ (2,811,244)	\$ 22,203	\$ 26,747
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	-	529,217				
ACCOUNTS RECEIVABLE - INTERCOMPANY	-	-				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	-				
DIP BORROWINGS	-	-				
TRANSFERS IN - THIRD PARTIES	-	-		59,393		
TRANSFERS IN - NONFILING ENTITIES	-	-				
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS	-	-				
TOTAL RECEIPTS	-	529,217		59,393	-	-
DISBURSEMENTS						
PAYROLL	-	-				
PAYROLL TAXES	-	-				
TRADE PAYABLES - THIRD PARTIES	-	-				
TRADE PAYABLES - INTERCOMPANY	-	-				
ACCOUNT SECURITIZATION	-	-				
PAYMENTS AS SERVICER FOR GRPI	-	-				
DIP PRINCIPAL REPAYMENTS	-	-				
DIP INTEREST AND USAGE FEES	-	-				
TRANSFERS OUT - THIRD PARTIES	-	-				
TRANSFERS OUT - NONFILING ENTITIES	-	-				
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS	-	20,106				51,155
TOTAL DISBURSEMENTS	-	20,106		-	-	51,155
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	509,111		59,393	-	(51,155)
CASH - END OF MONTH	\$ -	\$ 859,207	\$ -	\$ (2,751,851)	\$ 22,203	\$ (24,408)

Note #1

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W. R. Grace & Co. - Conn

Schedule of Cash Receipts and Disbursements

MOR-1

January 2009

	CURRENT MONTH	
	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 234,168,026	\$ -
RECEIPTS		
ACCOUNTS RECEIVABLE - THIRD PARTIES	77,356,980	
ACCOUNTS RECEIVABLE - INTERCOMPANY	24,608,974	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	
DIP BORROWINGS	-	
TRANSFERS IN - THIRD PARTIES	3,971,039	
TRANSFERS IN - NONFILING ENTITIES	20,112,462	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	363,482,491	
MISCELLANEOUS	5,929,715	
TOTAL RECEIPTS	495,461,662	-
DISBURSEMENTS		
PAYROLL	11,641,136	
PAYROLL TAXES	6,660,896	
TRADE PAYABLES - THIRD PARTIES	116,148,181	
TRADE PAYABLES - INTERCOMPANY	-	
ACCOUNT SECURITIZATION	-	
PAYMENTS AS SERVICER FOR GRPI	-	
DIP PRINCIPAL REPAYMENTS	-	
DIP INTEREST AND USAGE FEES	-	
TRANSFERS OUT - THIRD PARTIES	13,565,340	
TRANSFERS OUT - NONFILING ENTITIES	-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	363,592,622	
MISCELLANEOUS	279,350	
TOTAL DISBURSEMENTS	511,887,525	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(16,425,863)	-
CASH - END OF MONTH	\$ 217,742,162	\$ -

Note #1

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W.R. Grace & Co.			
Schedule of Cash Receipts and Disbursements			
MOR-1			
January 1, 2009			
	JP Morgan Chase Pass Through 323881963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	301,707	301,707	
TOTAL RECEIPTS	301,707	301,707	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	301,707	301,707	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	301,707	301,707	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Remedium Group, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

January 1, 2009

	JP Morgan Chase Depository/Wire 323883842	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ (25,931)	\$ -	\$ (25,931)	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		301,707		301,707	
TOTAL RECEIPTS	-	301,707	-	301,707	-
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES		392,132		392,132	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	-	392,132	-	392,132	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	(90,425)	-	(90,425)	
CASH - END OF MONTH	\$ -	\$ (116,356)	\$ -	\$ (116,356)	\$ -

Darex Puerto Rico, Inc.

Schedule of Cash Receipts and Disbursements

MOR-1

January 1, 2009

	Citibank Operating Acct 300153011	Petty Cash	Other	Cash-in-Transit	CURRENT MONTH	
					ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 5,529,203	\$ -	\$ -	\$ -	\$ 5,529,203	\$ -
RECEIPTS						
		No Activity	No Activity	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES	302,466				302,466	
ACCOUNTS RECEIVABLE - INTERCOMPANY					-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-	
DIP BORROWINGS					-	
TRANSFERS IN - THIRD PARTIES					-	
TRANSFERS IN - NONFILING ENTITIES					-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	118,839				118,839	
TOTAL RECEIPTS	421,305	-	-	-	421,305	-
DISBURSEMENTS						
PAYROLL	6,669				6,669	
PAYROLL TAXES	3,011				3,011	
TRADE PAYABLES - THIRD PARTIES	159,929				159,929	
TRADE PAYABLES - INTERCOMPANY					-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-	
DIP PRINCIPAL REPAYMENTS					-	
DIP INTEREST AND USAGE FEES					-	
TRANSFERS OUT - THIRD PARTIES					-	
TRANSFERS OUT - NONFILING ENTITIES					-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	118,839				118,839	
MISCELLANEOUS					-	
TOTAL DISBURSEMENTS	288,449	-	-	-	288,449	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	132,857	-	-	-	132,857	-
CASH - END OF MONTH	\$ 5,662,060	\$ -	\$ -	\$ -	\$ 5,662,060	\$ -

Chart 1

Grace International Holdings Schedule of Cash Receipts and Disbursements MOR-1 January 1, 2009			
	Grace International Holdings 323136524	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION		-	
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

CC Partners			
Schedule of Cash Receipts and Disbursements			
MOR-1			
January 1, 2009			
	First Union Deposit Acct 2199500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company			
Schedule of Cash Receipts and Disbursements			
MOR-1			
January 1, 2009			
ROW	79	0110XXXX - 0190XXXX	
	0110-0058		
	First National Bank of Montana 1049097	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 19,019	\$ 19,019	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	-
DIP BORROWINGS		-	-
TRANSFERS IN - THIRD PARTIES		-	-
TRANSFERS IN - NONFILING ENTITIES		-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	-
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	-
PAYROLL TAXES		-	-
TRADE PAYABLES - THIRD PARTIES		-	-
TRADE PAYABLES - INTERCOMPANY		-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	-
DIP PRINCIPAL REPAYMENTS		-	-
DIP INTEREST AND USAGE FEES		-	-
TRANSFERS OUT - THIRD PARTIES		-	-
TRANSFERS OUT - NONFILING ENTITIES		-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	-
MISCELLANEOUS	8	8	-
TOTAL DISBURSEMENTS	8	8	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(8)	(8)	-
CASH - END OF MONTH	\$ 19,011	\$ 19,011	\$ -

Grace Europe, Inc.			
Schedule of Cash Receipts and Disbursements			
MOR-1			
January 1, 2009			
	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Gloucester New Communities Company, Inc. Schedule of Cash Receipts and Disbursements MOR-1 January 1, 2009			
	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Dewey & Almy, LLC			
Schedule of Cash Receipts and Disbursements			
MOR-1			
January 1, 2009			
	Miscellaneous	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

January 31, 2009

Office of the United States Trustee

Subject: Attestation Regarding Bank Account Reconciliations

The debtor, W. R. Grace & Co, et al, hereby submits this attestation regarding bank account reconciliations in lieu of providing copies of bank statements and copies of all account reconciliations.

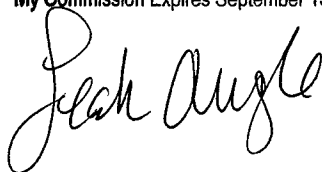
The debtor has, on a timely basis, performed all bank account reconciliations in the ordinary course of business. Copies of bank account statements and reconciliations are available for inspection upon request by the United States Trustee's Office.

GRACE


Name: Hudson La Force
Position: Senior Vice President and
Chief Financial Officer

Sworn to and Subscribed
before me on this 5th
day of March, 2009.

LEAH ANGLE
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires September 13, 2011



W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	W.R. Grace & Co. - Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.
Net sales to third parties	\$ 68,980,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	30,190,529	-	-	-	-	-	-	-	-
Net sales to filing entities	170,020	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	2,820,682	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(8,374,957)	4,813,897	616,334	19,173	845,233	-	2,602,915	-	-
	93,786,835	4,813,897	616,334	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	55,649,850	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	26,326,520	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	148,182	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	(a) 30,610,643	-	(1,851)	-	-	27,849	-	-	-
Research and development expenses	3,154,206	-	-	-	-	-	-	-	-
Depreciation and amortization	4,429,927	-	1,851	-	-	-	-	-	-
Interest expense	3,103,864	-	-	-	-	-	-	-	-
Other expense (income), net	8,037,278	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	2,251,838	-	-	-	-	-	-	-	-
	133,712,308	-	-	-	-	27,849	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	(39,925,473)	4,813,897	616,334	19,173	845,233	(27,849)	2,602,915	-	-
(Provision for) benefit from income taxes	1,969,674	(1,684,864)	(215,750)	(6,711)	(295,832)	(1,920)	(911,020)	7,500	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (37,955,799)	\$ 3,129,033	\$ 400,584	\$ 12,462	\$ 549,401	\$ (29,769)	\$ 1,691,895	\$ 7,500	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

(a) Amount includes \$6,343,471 of expense for Grace's legal and indemnification costs related to the Libby Indictment. \$2,919,645 of this amount relates specifically to the indemnification costs of the seven current and former employees under indictment.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewif Land Corporation	Alewif Boston, Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
Net sales to third parties	\$ -	\$ 242,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	22,849	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	19,614	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(522,593)	-	-	-	-	-	-	-	-
	(502,979)	265,251	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	231,379	12,721	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	26,753	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	71,385	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	86,446	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	(1,173)	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	414,790	12,721	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	(502,979)	(149,539)	(12,721)	-	-	-	-	-	-
(Provision for) benefit from income taxes	(5,422,490)	52,339	4,452	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (5,925,469)	\$ (97,200)	\$ (8,269)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern oil, Resin & Fiberglass, Inc.	Guanica- Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	8	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	314	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	322	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	(322)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	113	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ (209)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	W.R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	(192,869)
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	(192,869)
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	(174,935)
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	(174,935)
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	(17,934)
(Provision for) benefit from income taxes	-	7,577,000	7,577,000	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) income	\$ -	\$ 7,577,000	\$ 7,577,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (17,934)

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities
Combining Statement of Operations
MOR - 2
Month Ended January 31, 2009

	Conversion to Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ 69,222,963
Net sales to non-filing entities	-	\$ 30,190,529
Net sales to filing entities	-	\$ -
Interest and royalties from non-filing entities, net	-	\$ 2,840,296
Interest and royalties from filing entities, net	-	\$ -
	-	\$ 102,253,788
Cost of goods sold to third parties	-	\$ 55,893,950
Cost of goods sold to non-filing entities	-	\$ 26,326,520
Cost of goods sold to filing entities	-	\$ -
Selling, general and administrative expenses	-	\$ 30,708,034
Research and development expenses	-	\$ 3,154,206
Depreciation and amortization	-	\$ 4,518,538
Interest expense	-	\$ 3,103,864
Other expense (income), net	-	\$ 8,036,105
Chapter 11 reorganization expenses, net of interest income	-	\$ 2,251,838
	-	\$ 133,993,056
(Loss) income before income taxes, minority interest and equity in net income of non-filing entities	-	\$ (31,739,267)
(Provision for) benefit from income taxes	-	\$ 8,649,491
Minority interest in income of subsidiary	-	\$ -
Equity in net income of non-filing entities	7,315,457	\$ 7,315,457
Net (loss) income	\$ 7,315,457	\$ (15,774,320)

Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
MOR - 3
January 31, 2009

	W. R. Grace & Co. - Conn	W. R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 199,679,719	\$ -	\$ (116,356)	\$ -	\$ -	\$ -
Investment securities	18,062,443	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	68,278,263	-	-	-	-	-
Accounts and other receivables, net	111,450,030	-	-	-	-	(1)
Receivables from/(payables to) filing and non-filing entities, net	320,692,526	(337,485,583)	(26,411,638)	12,875,432	(69,842,762)	(12,585,285)
Inventories	130,368,569	-	-	-	-	-
Deferred income taxes	40,798,387	-	(409,089)	-	-	-
Other current assets	19,720,417	-	0	-	-	-
Total Current Assets	909,050,354	(337,485,583)	(26,937,083)	12,875,432	(69,842,762)	(12,585,286)
Properties and equipment, net	414,027,270	-	332,119	-	-	-
Goodwill	24,163,463	-	-	-	-	-
Deferred income taxes	1,042,225,720	-	23,375,718	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,729,808,411)	1,115,242,237	114,212,329	5,991,050	259,922,555	-
Investment in filing and non-filing entities	1,154,024,864	241,512,111	-	-	-	-
Overfunded defined benefit pension plans	511,293	-	-	-	-	-
Other assets	87,635,884	-	-	-	-	1
Total Assets	\$ 2,401,830,438	\$ 1,019,268,765	\$ 110,983,082	\$ 18,866,481	\$ 190,079,792	\$ (12,585,285)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ 181,324	-	\$ -	\$ -	\$ -	\$ -
Accounts payable	73,037,378	-	123,812	-	-	-
Income taxes payable	1,200,243	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	150,560,350	-	(141,558)	-	-	5,522
Total Current Liabilities	224,979,295	-	(17,747)	-	-	5,522
Debt payable after one year	432,381	-	-	-	-	-
Deferred income taxes	203,737,094	-	-	-	-	-
Minority interest in consolidated entities	64,418,737	-	-	-	-	-
Underfunded defined benefit pension plans	375,475,109	-	-	-	-	-
Other liabilities	41,084,631	-	-	-	-	-
Total Liabilities Not Subject to Compromise	910,127,246	-	(17,747)	-	-	5,522
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	825,799,197	-	-	-	-	-
Drawn letters of credit plus accrued interest	30,103,824	-	-	-	-	-
Income tax contingences	(79,740,972)	109,545,269	(12,067,338)	477,892	21,589,326	(214,226)
Asbestos-related contingences	1,700,000,000	-	-	-	-	-
Environmental contingences	86,252,030	-	65,618,945	-	-	-
Postretirement benefits	171,958,078	-	-	-	-	-
Other liabilities and accrued interest	125,353,675	-	656,146	-	-	-
Total Liabilities Subject to Compromise	2,859,725,832	109,545,269	54,207,753	477,892	21,589,326	(214,226)
Total Liabilities	3,769,853,078	109,545,269	54,190,007	477,892	21,589,326	(208,704)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	83,968,960	835,367	12,223	1,000	-	1,000
Paid in capital	142,809,878	433,355,157	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(1,037,189,955)	532,934,766	47,056,404	(15,664,877)	112,478,889	(12,377,581)
Treasury stock, at cost	-	(57,401,894)	-	-	-	-
Accumulated other comprehensive (loss) income	(557,611,523)	100	-	-	-	-
Deferred compensation trust	-	100	-	-	-	-
Total Shareholders' Equity (Deficit)	(1,368,022,641)	909,723,496	56,793,076	18,388,590	168,490,466	(12,376,581)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,401,830,437	\$ 1,019,268,765	\$ 110,983,082	\$ 18,866,481	\$ 190,079,792	\$ (12,585,285)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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	Litigation Management, Inc.	Grace Europe, Inc.	L. B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewite Land Corporation
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 5,662,060	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	72,178	-	-	1,662,798	-
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,585,258	140,524,854	(93,406,106)	1,478,513	(5,160,519)
Inventories	-	-	-	-	227,414	-
Deferred income taxes	-	93,168	-	-	64,252	-
Other current assets	-	-	-	-	0	16,523
Total Current Assets	(386,938,610)	5,750,605	140,524,854	(93,406,106)	9,095,036	(5,143,995)
Properties and equipment, net	-	-	-	-	528,565	-
Goodwill	-	-	-	-	1,256,948	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	625,116,298	(3,262,698)	-	34,225,264	-	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	54,000	-	-	5,740,223	-
Total Assets	\$ 238,177,688	\$ 2,541,907	\$ 140,524,854	\$ (511,377)	\$ 16,620,772	\$ (5,143,995)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	19,404	-	-	990,845	-
Income taxes payable	-	-	-	-	(1,199,975)	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	400,235	-	-	221,503	-
Total Current Liabilities	-	419,639	-	-	12,373	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	0	-	(169,509)	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	419,639	-	(169,509)	12,373	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingencies	66,503,963	(995,777)	(150)	(2,095,120)	653,336	(394,122)
Asbestos-related contingencies	-	-	-	-	-	-
Environmental contingencies	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	217,447	-	-	133,907	-
Total Liabilities Subject to Compromise	66,503,963	(778,330)	(150)	(2,095,120)	787,243	(394,122)
Total Liabilities	66,503,963	(358,691)	(150)	(2,264,629)	799,616	(394,122)
Shareholders' Equity (Deficit)						
Preferred stock	112	-	-	-	-	-
Common stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,606
(Accumulated deficit)/Retained earnings	200,940,023	(498,243)	115,166,011	(104,326,021)	2,745,979	(5,024,679)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	3,397,840	-	44,232,784	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	171,673,725	2,900,597	140,525,004	1,753,252	15,821,156	(4,749,873)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 238,177,688	\$ 2,541,907	\$ 140,524,854	\$ (511,377)	\$ 16,620,772	\$ (5,143,995)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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January 31, 2009

	Alewife Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(26,161)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(2,143,580)	-	(57,817,172)	(110)	(330)	(26,161)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,985,416
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(210)	-	-	(110)	(330)	(7,489)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(210)	-	-	(110)	(330)	(7,489)
Total Liabilities	(210)	-	-	(110)	(330)	(7,489)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,492,905
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	55,992,905
Total Liabilities and Shareholders' Equity (Deficit)	\$ (2,143,580)	\$ -	\$ (23,763,706)	\$ 54,499,890	\$ 54,499,670	\$ 55,985,416

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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January 31, 2009

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 19,012	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(10,483)	(26,614,022)	57,347,191	(7,283,826)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	7,535	-	-	-	-	-
Total Current Assets	16,063	(26,614,022)	57,347,191	(7,283,826)	-	-
Properties and equipment, net	14,758	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 30,822	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(445,529)	(195)	10,346,794	(230)	-	-
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(445,529)	(195)	10,346,794	(230)	-	-
Total Liabilities	(445,529)	(195)	10,346,794	(230)	-	-
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	-	-	-	5,150	-	-
Paid in capital	1,303,954	864,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	(827,603)	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	(99,212)	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	476,351	(26,613,827)	47,000,396	(7,283,596)	-	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 30,822	\$ (26,614,022)	\$ 57,347,191	\$ (7,283,826)	\$ -	\$ -

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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January 31, 2009

	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
Total Current Liabilities	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	3	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(110)	-	(110)	(560)	(560)	(450)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(110)	-	(110)	(560)	(560)	(450)
Total Liabilities	(110)	-	(110)	(557)	(560)	(450)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,446	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(10,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	5,824,394	(8,966)	(1,118,993)	10,284,682	890	(2,417,264)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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January 31, 2009

	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (1,230,613)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	-	(818)	(110)	(210)	(110)	(30)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	-	(818)	(110)	(210)	(110)	(30)
Total Liabilities	-	(818)	(110)	(210)	(110)	(30)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(1,230,683)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(1,230,583)
Total Liabilities and Shareholders' Equity (Deficit)	\$ (26,312,455)	\$ (5,132,933)	\$ (3,350,634)	\$ (2,509,849)	\$ 840	\$ (1,230,613)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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January 31, 2009

	W. R. Grace Land Corporation	G C Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W. R. Grace Capital Corporation	Gloucester New Communities Company, Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	91,572
Receivables from/(payables to) filing and non-filing entities, net	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,555,815)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	36,708,315	-	(73,061)	(12,559,518)	(264,688)	(19,463,742)
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
Total Assets	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,459,676)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
Total Current Liabilities	-	-	-	-	199	4,066
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	199	4,066
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(821)	-	(110)	(265)	(759)	-
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(821)	-	(110)	(265)	(759)	-
Total Liabilities	(821)	-	(110)	(265)	(560)	4,066
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	42,993,942	-	(72,951)	(12,559,253)	174,317	(19,463,742)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 42,993,121	\$ -	\$ (73,061)	\$ (12,559,518)	\$ 173,757	\$ (19,459,676)

Note #3

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W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(1,432)	(300)	(335)	(405)	(185)	(110)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(1,432)	(300)	(335)	(405)	(185)	(110)
Total Liabilities	(1,432)	(300)	(335)	(405)	(185)	(110)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,986,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 23,478,717	\$ 6,345,361	\$ 810,265	\$ (59,581,637)	\$ (185)	\$ (86,721)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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January 31, 2009

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	(5,314)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	(5,314)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 504,081,786	\$ (9,746,113)	\$ (15,750,664)	\$ 5,296,839	\$ 875,359	\$ (5,314)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(119)	(110)	-	(360)	(310)	(260)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(119)	(110)	-	(360)	(310)	(260)
Total Liabilities	(119)	(110)	-	(360)	(310)	(260)
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(6,054)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	(5,054)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 504,081,786	\$ (9,746,113)	\$ (15,750,664)	\$ 5,296,839	\$ 875,359	\$ (5,314)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
Total Current Assets	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Total Assets	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)						
Liabilities Not Subject to Compromise						
Current Liabilities						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Total Current Liabilities	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Minority interest in consolidated entities	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total Liabilities Not Subject to Compromise	-	-	-	-	-	-
Liabilities Subject to Compromise						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(360)	13,873,461	13,873,636	(480)	(110)	-
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
Total Liabilities Subject to Compromise	(360)	13,873,461	13,873,636	(480)	(110)	-
Total Liabilities	(360)	13,873,461	13,873,636	(480)	(110)	-
Shareholders' Equity (Deficit)						
Preferred stock	-	-	-	-	-	-
Common stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	86,047,322	117,485,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
Deferred compensation trust	-	-	-	-	-	-
Total Shareholders' Equity (Deficit)	108,440	116,342,072	131,365,570	(81,114,633)	47,407,906	-
Total Liabilities and Shareholders' Equity (Deficit)	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -

Note #3

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W. R. Grace & Co. - Chapter 11 Filing Entities
Combining Balance Sheet
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January 31, 2009

	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities	Conversion to Equity Method	Reporting Reclases
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment securities	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	200,000
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	(5,449,795)
Other current assets	-	-	-	-	-
Total Current Assets	-	-	-	-	(5,249,795)
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Deferred income taxes	-	-	-	-	(203,567,585)
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	(1,323,702,717)	(29,299,400)	1,800,000
Investment in filing and non-filing entities	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-
Other assets	-	-	(1,201,282)	-	-
Total Assets	\$ -	\$ -	\$ (1,324,903,999)	\$ (29,299,400)	\$ (207,017,380)
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)					
Liabilities Not Subject to Compromise					
Current Liabilities					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	-	-	200,000	-	(1,797,136)
Total Current Liabilities	-	-	200,000	-	(1,797,136)
Debt payable after one year	-	-	-	-	-
Deferred income taxes	-	-	-	-	(203,567,585)
Minority interest in consolidated entities	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-
Other liabilities	-	-	200,000	-	-
Total Liabilities Not Subject to Compromise	-	-	400,000	-	(205,364,721)
Liabilities Subject to Compromise					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-
Income tax contingences	-	-	-	-	-
Asbestos-related contingences	-	-	-	-	-
Environmental contingences	-	-	-	-	-
Postretirement benefits	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	(9,452,659)
Total Liabilities Subject to Compromise	-	-	-	-	(9,452,659)
Total Liabilities	-	-	400,000	-	(214,817,380)
Shareholders' Equity (Deficit)					
Preferred stock	-	-	-	-	-
Common stock	-	-	(86,493,960)	-	-
Paid in capital	-	-	(1,222,770,000)	-	-
(Accumulated deficit)/Retained earnings	-	-	(30,240,039)	23,705,209	2,000,000
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	14,200,000	(53,004,609)	5,800,000
Deferred compensation trust	-	-	-	-	-
Total Shareholders' Equity (Deficit)	-	-	(1,325,303,999)	(29,299,400)	7,800,000
Total Liabilities and Shareholders' Equity (Deficit)	\$ -	\$ -	\$ (1,324,903,999)	\$ (29,299,400)	\$ (207,017,380)

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W. R. Grace & Co. - Chapter 11 Filing Entities

Combining Balance Sheet

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	COMBINED FILING ENTITIES
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 205,244,935
Investment securities	\$ 18,062,443
Cash value of life insurance policies, net of policy loans	\$ 68,278,263
Accounts and other receivables, net	\$ 113,276,577
Receivables from/(payables to) filing and non-filing entities, net	\$ 51,505,944
Inventories	\$ 130,595,983
Deferred income taxes	\$ 35,096,923
Other current assets	\$ 19,744,475
Total Current Assets	\$ 641,805,543
Properties and equipment, net	\$ 415,341,158
Goodwill	\$ 25,420,411
Deferred income taxes	\$ 862,033,853
Asbestos-related insurance receivable	\$ 500,000,000
Loans receivable from/(payable to) filing and non-filing entities, net	\$ 371,599,775
Investment in filing and non-filing entities	\$ 495,720,403
Overfunded defined benefit pension plans	\$ 511,293
Other assets	\$ 92,232,892
Total Assets	\$ 3,404,665,328
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	
Liabilities Not Subject to Compromise	
Current Liabilities	
Debt payable within one year	\$ 181,324
Accounts payable	\$ 74,175,505
Income taxes payable	\$ 268
Asbestos-related liability expected to be disbursed within one year	\$ -
Other current liabilities	\$ 149,449,117
Total Current Liabilities	\$ 223,806,214
Debt payable after one year	\$ 432,381
Deferred income taxes	\$ -
Minority interest in consolidated entities	\$ 64,418,737
Underfunded defined benefit pension plans	\$ 375,475,109
Other liabilities	\$ 41,284,631
Total Liabilities Not Subject to Compromise	\$ 705,417,072
Liabilities Subject to Compromise	
Debt, pre-petition plus accrued interest	\$ 825,799,197
Drawn letters of credit plus accrued interest	\$ 30,103,824
Income tax contingences	\$ 140,891,981
Asbestos-related contingences	\$ 1,700,000,000
Environmental contingences	\$ 151,870,975
Postretirement benefits	\$ 171,958,078
Other liabilities and accrued interest	\$ 116,908,517
Total Liabilities Subject to Compromise	\$ 3,137,532,572
Total Liabilities	\$ 3,842,949,644
Shareholders' Equity (Deficit)	
Preferred stock	\$ 112
Common stock	\$ 838,044
Paid in capital	\$ 437,027,151
(Accumulated deficit)/Retained earnings	\$ (275,663,109)
Treasury stock, at cost	\$ (57,401,894)
Accumulated other comprehensive (loss) income	\$ (543,084,620)
Deferred compensation trust	\$ 100
Total Shareholders' Equity (Deficit)	\$ (438,284,316)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 3,404,665,328

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

W. R. Grace & Co. - Conn
Status of Postpetition Taxes
MOR-4
January 31, 2009

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
Federal				
Withholding	\$ (3,334)	\$ 2,020,968	\$ (2,020,348)	\$ (2,714)
FICA - Employee	15,371	1,215,122	(1,217,365)	13,128
FICA and payroll- Employer	877,883	1,215,123	(921,502)	1,171,504
Unemployment	-	104,163	(104,163)	-
Other	-	308,918	(308,918)	-
Total Federal Taxes	\$ 889,920	\$ 4,864,294	\$ (4,572,296)	\$ 1,181,918
State and Local				
Withholding	\$ 62,868	\$ 703,231	\$ (703,765)	\$ 62,334
Sales & Use	592,331	371,143	(323,469)	640,005
Property Taxes	1,352,038	355,043	(97,113)	1,609,968
Other	-	111,481	(111,481)	-
Total State and Local	\$ 2,007,237	\$ 1,540,898	\$ (1,235,828)	\$ 2,312,307
Total Taxes	\$ 2,897,157	\$ 6,405,192	\$ (5,808,124)	\$ 3,494,225

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Remedium Group, Inc. Status of Postpetition Taxes MOR-4 January 31, 2009				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
Federal				
Withholding	\$ (283)	\$ 6,001	\$ (6,001)	\$ (283)
FICA - Employee	-	3,284	(3,284)	-
FICA and payroll- Employer	-	3,284	(3,284)	-
Unemployment	-	267	(267)	-
Other	-	955	(955)	-
Total Federal Taxes	\$ (283)	\$ 13,791	\$ (13,791)	\$ (283)
State and Local				
Withholding	\$ -	\$ 672	\$ (672)	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ -	\$ 672	\$ (672)	\$ -
Total Taxes	\$ (283)	\$ 14,463	\$ (14,463)	\$ (283)

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Grace Washington, Inc. Status of Postpetition Taxes MOR-4 January 31, 2009				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
Federal				
Withholding	\$ 2,582	\$ 4,213	\$ (4,213)	\$ 2,582
FICA - Employee	141	1,406	(1,406)	141
FICA and payroll- Employer	139	1,406	(1,406)	139
Unemployment	-	56	(56)	-
Other	-	612	(612)	-
Total Federal Taxes	\$ 2,862	\$ 7,693	\$ (7,693)	\$ 2,862
State and Local				
Withholding	\$ 532	\$ 910	\$ (910)	\$ 532
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ 532	\$ 910	\$ (910)	\$ 532
Total Taxes	\$ 3,394	\$ 8,603	\$ (8,603)	\$ 3,394

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

L B Realty, Inc. Status of Postpetition Taxes MOR-4 January 31, 2009				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	-	-	-
FICA and payroll- Employer	-	-	-	-
Unemployment	-	-	-	-
Other	-	-	-	-
Total Federal Taxes	\$ -	\$ -	\$ -	\$ -
State and Local				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ -	\$ -	\$ -	\$ -
Total Taxes	\$ -	\$ -	\$ -	\$ -

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Darex Puerto Rico, Inc. Status of Postpetition Taxes MOR-4 January 31, 2009				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	689	(689)	-
FICA and payroll- Employer	-	689	(689)	-
Unemployment	-	72	(72)	-
Other	-	498	(498)	-
Total Federal Taxes	\$ -	\$ 1,948	\$ (1,948)	\$ -
State and Local				
Withholding	\$ -	\$ 1,064	\$ (1,064)	\$ -
Sales & Use	947	52	(947)	52
Property Taxes	365,582	6,000	-	371,582
Other	-	-	-	-
Total State and Local	\$ 366,529	\$ 7,116	\$ (2,011)	\$ 371,634
Total Taxes	\$ 366,529	\$ 9,064	\$ (3,959)	\$ 371,634

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 6

W. R. Grace & Co. - Conn
Accounts Receivable Reconciliation and Aging
MOR-5
January 2009

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ 114,077,517
Amounts billed during the period	\$ 68,980,561
Amounts collected during the period	\$ (77,356,980)
Other	\$ 2,889,318
Trade accounts receivable at the end of month, gross	\$ 108,590,415

Trade Accounts Receivable Aging

Current	\$ 86,698,124
1-30 days past due	\$ 14,615,982
31-60 days past due	\$ 4,122,619
+61 days past due	\$ 3,153,690
Trade accounts receivable, gross	\$ 108,590,415
Allowance for doubtful accounts	\$ (1,191,018)
Trade accounts receivable, net	\$ 107,399,398

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ 107,399,398
Customer notes and drafts receivable	\$ 725,766
Pending customer credit notes	\$ (170,821)
Advances and deposits	\$ 2,095,341
Nontrade receivables, net	\$ 1,400,346
Total notes and accounts receivable, net	\$ 111,450,030

Chart 6

Darex Puerto Rico, Inc. Accounts Receivable Reconciliation and Aging MOR-5 January 2009	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ 1,902,005
Amounts billed during the period	242,402
Amounts collected during the period	(302,466)
Other	3,438
Trade accounts receivable at the end of month, gross	\$ 1,845,379
Trade Accounts Receivable Aging	
Current	\$ 943,555
1-30 days past due	244,903
31-60 days past due	175,345
+61 days past due	481,576
Trade accounts receivable, gross	1,845,379
Allowance for doubtful accounts	(181,300)
Trade accounts receivable, net	\$ 1,664,079
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ 1,664,079
Customer notes and drafts receivable	-
Pending customer credit notes	(1,282)
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ 1,662,798

Chart 6

Remedium Group, Inc. Accounts Receivable Reconciliation and Aging MOR-5 January 2009	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
Trade Accounts Receivable Aging	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 6

Gloucester New Communities Company, Inc.
Accounts Receivable Reconciliation and Aging

MOR-5
January 2009

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

Trade Accounts Receivable Aging

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	91,572
Total notes and accounts receivable, net	\$ 91,572

Chart 6

Grace Europe, Inc.
Accounts Receivable Reconciliation and Aging
MOR-5
January 2009

Trade Accounts Receivable Reconciliation

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

Trade Accounts Receivable Aging

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

Notes and Accounts Receivable Reconciliation

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	72,178
Total notes and accounts receivable, net	\$ 72,178

Chart 7

W.R. Grace & Co., et al Debtor Questionnaire MOR - 5 January 31, 2009		
	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account for this reporting period? If yes, provide an explanation below.		See Note #5 below
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in affect? If no, provide and explanation below.	X	
5. Are post-petition accounts payable and tax obligations current and paid to date? If no, provide an explanation.	X (unless disputed in normal course of business)	

Note #5

As part of the first day orders submitted to the court on April 2, 2001, an application for the Debtors to (a) continue and maintain their consolidated cash management system, (b) continue and maintain their existing bank accounts and (c) continue to use existing business forms and granting related relief was included. The Debtors have continued to use their existing bank accounts and no new debtor in possession accounts have been established.

List assets sold/transferred outside the normal course of business over \$25,000:		
Description of Asset	Sale Date	Proceeds

Combined Chapter 11 Filing Entity Statements

Chart 8

W. R. Grace & Co. - Chapter 11 Filing Entities Combined Statement of Operations		
In millions	Month Ended January 31,	
	2009	2008
Net sales to third parties	\$ 69.2	\$ 79.5
Net sales to non-filing entities	30.2	43.8
Interest and royalties from non-filing entities	2.8	4.0
	102.2	127.3
Cost of goods sold to third parties	55.9	59.1
Cost of goods sold to non-filing entities	26.3	35.1
Selling, general and administrative expenses	24.6	23.5
Depreciation and amortization	4.5	5.1
Research and development expenses	3.2	3.8
Net pension expense	6.1	3.0
Interest expense	3.1	5.5
Other (income) expense, net	8.0	(1.7)
Provision for environmental remediation	-	-
Chapter 11 expenses, net of interest income	2.3	5.1
	134.0	138.5
Income (loss) before income taxes and equity in net income of non-filing entities	(31.8)	(11.2)
Benefit from (provision for) income taxes	8.6	-
Income (loss) before equity in net income of non-filing entities	(23.2)	(11.2)
Equity in net income of non-filing entities	7.4	19.8
Net income (loss)	\$ (15.8)	\$ 8.6

W. R. Grace & Co. - Chapter 11 Filing Entities
Combined Functional Basis Statement of Cash Flows

	Month Ended 31-Jan 2009	Year to Date 31-Jan 2009
<i>amounts in millions</i>		
Core operations cash flow		
Pre-tax income from core operations	\$ (8.9)	\$ (8.9)
Depreciation and amortization	4.5	4.5
	(4.4)	(4.4)
Contributions to defined benefit pension plans	(7.6)	(7.6)
Change in Non-Filing entity operating loans and Investment	2.5	2.5
Changes in all core assets/liabilities and other	10.9	10.9
	1.4	1.4
Dividends paid to minority interests in consolidated entities	-	0.0
Capital expenditures	(3.5)	(3.5)
Core Pre-tax Operating Cash Flow	(2.1)	(2.1)
Charges against core reserves		
Deferred compensation	-	-
Self insurance	(0.1)	(0.1)
Total Spending Against Core Reserves	(0.1)	(0.1)
Core Cash Flow	(2.2)	(2.2)
Noncore cash flow		
Proceeds from asset sales	-	0.0
Investments in short term debt securities	-	0.0
Sales of investment securities	3.7	3.7
Cash paid to resolve contingencies subject to Chapter 11	-	0.0
Legal Fees	(5.9)	(5.9)
Other noncore pretax cash flow	(0.6)	(0.6)
Noncore Pre-tax Cash Flow	(2.8)	(2.8)
Charges against noncore reserves		
Environmental remediation	(0.4)	(0.4)
Retained obligations and other	(0.2)	(0.2)
Postretirement benefits	(1.6)	(1.6)
	(2.2)	(2.2)
Noncore Cash Flow	(5.0)	(5.0)
Total Pre-tax/Pre-interest/Pre-Chapter 11 Cash Flow	(7.2)	(7.2)
Cash paid for taxes, net of refunds	0.1	0.1
Cash paid for interest	1.3	1.3
Chapter 11 reorganization expenses paid	(5.9)	(5.9)
Interest income on filing entity cash balances	(0.1)	(0.1)
Cash Flow before Strategic Investments	(11.8)	(11.8)
Strategic Investments		
Purchase of equity investment	-	-
Short-term investment in unconsolidated affiliate	-	-
Dividends received	-	-
Proceeds from sale of product line	-	-
Proceeds from exercise of stock options	-	0.0
Cash used for Strategic Investments	-	0.0
Cash Flow After Strategic Investments	(11.8)	(11.8)
Borrowings (repayments) under DIP facility	(0.2)	(0.2)
Net (investing)/financing activities under life insurance policies	(0.9)	(0.9)
Net Cash Flow	\$ (12.9)	\$ (12.9)

Chart 10

W. R. Grace & Co. - Chapter 11 Filing Entities Combined Balance Sheet			
Amounts in millions	January 31, 2009	December 31, 2008	April 2, 2001
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 205.2	\$ 218.1	\$ 8.6
Investment Securities	18.1	21.6	-
Cash value of life insurance policies, net of policy loans	68.3	67.2	-
Trade accounts receivable, less allowance of \$1.4 (2008 - \$1.4, Filing Date - \$0.7)	109.6	115.0	32.3
Receivables from non-filing entities, net	51.5	69.9	51.2
Inventories	130.6	122.1	80.6
Deferred income taxes	35.1	33.6	80.9
Asbestos-related insurance expected to be realized within one year	-	-	17.0
Other current assets	23.4	23.8	33.4
Total Current Assets	641.8	671.3	304.0
Properties and equipment, net	415.3	417.1	400.4
Goodwill	25.4	25.4	13.6
Deferred income taxes	862.0	834.4	401.0
Asbestos-related insurance expected to be realized after one year	500.0	500.0	323.4
Loans receivable from non-filing entities, net	371.6	399.1	387.5
Investment in non-filing entities	495.7	492.0	121.0
Overfunded defined benefit pension plans	0.5	0.2	-
Deferred pension costs	-	-	236.0
Other assets	92.2	72.4	136.6
Total Assets	\$ 3,404.5	\$ 3,411.9	\$ 2,323.5
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)			
Liabilities Not Subject to Compromise			
Current Liabilities			
Debt payable within one year	\$ 0.2	\$ 0.2	\$ -
Accounts payable	74.2	88.6	-
Other current liabilities	149.3	150.7	-
Total Current Liabilities	223.7	239.5	-
Debt payable after one year	0.4	0.4	-
Minority interest in consolidated entities	64.4	64.2	0.3
Underfunded defined benefit pension plans	375.5	380.6	-
Other liabilities	41.2	41.2	31.5
Total Liabilities Not Subject to Compromise	705.2	725.9	31.8
Liabilities Subject to Compromise			
Pre-petition bank debt plus accrued interest	825.8	823.5	511.5
Drawn letters of credit plus accrued interest	30.1	30.0	-
Income tax contingencies	140.9	121.0	242.1
Asbestos-related contingencies	1,700.0	1,700.0	1,002.8
Environmental contingencies	151.9	152.2	164.8
Postretirement benefits	172.0	169.7	256.2
Other liabilities and accrued interest	116.8	116.5	188.6
Total Liabilities Subject to Compromise	3,137.5	3,112.9	2,366.0
Total Liabilities	3,842.7	3,838.8	2,397.8
Shareholders' Equity (Deficit)			
Common stock	0.8	0.8	0.8
Paid in capital	437.0	436.6	432.6
Accumulated deficit	(275.5)	(262.1)	(201.8)
Treasury stock, at cost	(57.4)	(57.4)	(136.4)
Accumulated other comprehensive loss	(543.1)	(544.8)	(169.5)
Total Shareholders' Equity (Deficit)	(438.2)	(426.9)	(74.3)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 3,404.5	\$ 3,411.9	\$ 2,323.5

The Notes to Combined Financial Statements are an integral part of these statements.

W. R. Grace & Co.
Filing Entity Supplemental Financial Information
January 31, 2009

Basis of Presentation

The interim Combined Financial Statements presented herein represent the results of operations, cash flows and financial position of the Debtors. These financial statements pertain to periods beginning with, and subsequent to, the Filing Date and have been prepared in conformity with requirements of the Bankruptcy Court. Consequently, these financial statements do not purport to present the financial performance of W. R. Grace & Co. in conformity with U.S. generally accepted accounting principles which would require the consolidation of all controlled subsidiaries and more extensive notes and analysis related to the worldwide operations of W. R. Grace & Co. Financial activity of non-Debtor entities is not presented herein. However, all non-Debtor entities are either directly or indirectly controlled by the Debtors and, accordingly, non-Debtor financial results are reflected under the equity method of accounting. These financial statements are unaudited and should be read in conjunction with the consolidated financial statements presented in the Company's 2008 Annual Report on Form 10-K and other periodic filings with the U.S. Securities and Exchange Commission.

These interim Combined Financial Statements reflect all adjustments that, in the opinion of management, are necessary for a fair presentation of the results of the interim periods presented under U.S. generally accepted accounting principles; all such adjustments are of a normal recurring nature. All significant inter-Debtor accounts and transactions have been eliminated. Transactions and balances with non-Debtor entities are separately disclosed.

The results of operations for the one-month interim period ended January 31, 2009 are not necessarily indicative of the results of operations for the year ending December 31, 2009.

Other Balance Sheet Accounts

<i>(In millions)</i>	January 31, 2009	Filing Date
Inventories		
Raw materials	\$ 26.1	\$ 20.3
In process	26.3	16.2
Finished products	65.5	63.8
General merchandise	12.7	9.6
Less: Adjustment of certain inventories to a last-in/first-out (LIFO) basis	--	(29.3)
	\$ 130.6	\$ 80.6
Other Assets		
Deferred charges	24.3	40.4
Cash value of life insurance policies, net of policy loans	4.2	64.1
Long-term receivables	0.3	1.9
Long-term investments	3.5	2.1
Patents, licenses and other intangible assets, net	18.6	25.2
Fair value of foreign currency exchange rate forward contracts	40.5	--
Other assets	0.8	2.9
	\$ 92.2	\$ 136.6
Other Current Liabilities		
Accrued compensation	\$ 41.4	\$ --
Accrued commissions	5.2	--
Customer programs	21.0	--
Accrued freight	5.9	--
Accrued reorganization fees	20.2	--
Other accrued liabilities	55.6	--
	\$ 149.3	\$ --
Other Liabilities		
Deferred royalty income – non-filing entities	\$ --	\$ 31.5
Accrued compensation	9.5	--
Other accrued liabilities	31.7	--
	\$ 41.2	\$ 31.5
Other Liabilities Subject to Compromise		
Accrued interest on pre-petition liabilities	44.1	--
Accounts payable	31.2	43.0
Retained obligations of divested businesses	29.6	43.5
Other accrued liabilities	11.9	102.1
	\$ 116.8	\$ 188.6

Accrued compensation in the table above includes salaries and wages as well as estimated current amounts due under the annual and long-term incentive programs.

Life Insurance

Grace is the beneficiary of corporate-owned life insurance ("COLI") policies on certain current and former employees with a net cash surrender value of \$72.5 million at January 31, 2009. The policies were acquired to fund various employee benefit programs and other long-term liabilities and are structured to provide cash flow (primarily tax-free) over an extended number of years. The following table summarizes the components of net cash value at January 31, 2009 and Filing Date:

Components of Net Cash Value <i>(In millions)</i>	January 31, 2009	Filing Date
Gross cash value	\$ 77.6	\$ 453.7
Principal – policy loans	(5.0)	(390.3)
Accrued interest – policy loans	(0.1)	0.7
Total net cash value.....	72.5	64.1
Less: current portion	(68.3)	--
Net cash value – long-term	\$ 4.2	\$ 64.1
Insurance benefits in force.....	\$ 120.5	\$ 2,286.0

Grace's financial statements display income statement activity and balance sheet amounts on a net basis, reflecting the contractual interdependency of policy assets and liabilities.

Debt

On January 31, 2009 and the Filing Date, Grace's debt was as follows:

Components of Debt <i>(In millions)</i>	January 31, 2009	Filing Date
Debt payable within one year		
DIP facility.....	\$ --	\$ --
Other short-term borrowings and related fees payable	0.2	--
	\$ 0.2	\$ --
Debt payable after one year		
DIP facility.....	\$ --	\$ --
Other long-term borrowings	0.4	--
	\$ 0.4	\$ --
Debt Subject to Compromise		
Bank borrowings	\$ 500.0	\$ 500.0
Accrued interest on bank borrowings.....	325.8	--
Drawn letters of credit.....	25.6	--
Accrued interest on drawn letters of credit	4.5	--
8.0% Notes Due 2004.....	--	5.7
7.75% Notes Due 2002.....	--	2.0
Other borrowings	--	1.2
Accrued interest.....	--	2.6
	\$ 855.9	\$ 511.5
Annualized weighted average interest rates on total debt	3.3%	6.1%

The Debtors have entered into a debtor-in-possession post-petition loan and security agreement, or DIP facility, with a syndicate of lenders that, as amended effective April 1, 2008, provides for up to \$165 million of revolving loans and face amount of letters of credit. The DIP facility is secured by a priority lien on substantially all assets of the Debtors with the exclusion of the capital stock of non-U.S. subsidiaries, and bears interest based on the London Interbank Offered Rate (LIBOR). The term of the DIP facility ends on the earlier of April 1, 2010 or the Debtors' emergence from Chapter 11. The DIP facility permits the increase of commitments of existing lenders and/or commitments by new lenders up to an aggregate maximum of \$250 million.

As of January 31, 2009, the Debtors had no revolving loans and \$62.2 million of standby letters of credit issued and outstanding under the DIP facility. These letters of credit reduced the aggregate unused availability for

revolving loans and letters of credit, as of the April 1, 2008 effective date of the amended DIP facility, to \$102.8 million. The letters of credit were issued mainly for trade-related matters such as performance bonds, as well as certain insurance and environmental matters.